

NEW ENGLAND LINEN SUPPLY



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NORTH EAST LINEN SUPPLY

Testimony  
of  
Robert Winneg, Chairman of New England Linen Supply Company, Inc.  
before the Commerce Committee  
on Senate Bill 540  
"An Act Increasing the Cap on the Insurance Reinvestment  
Fund Tax Credit Program"

February 19, 2015

Senator Hartley, Representative Perone, members of the committee. My name is Robert Winneg. I am Chairman of New England Linen Supply Company, Inc. I am writing to fully endorse the passage of Senate Bill 540, "An Act Increasing the Cap on the Insurance Reinvestment Fund Tax Credit Program."

In May 2011, our company was negatively impacted by the recession and we needed both growth capital and to refinance our senior credit facility that had reached maturity. At that time, no other banks offered our company the refinancing and growth capital we needed at reasonable terms. Through the IRF program we were able to access critical investments in our business that has allowed us to grow. More recently, when the size of our Connecticut employment base was at risk, the company was approached with a unique acquisition opportunity to purchase a competitor in a neighboring state, enabling the preservation of existing Connecticut jobs, and increasing employment and plant utilization at our New Haven facility. With additional IRF capital used to acquire new accounts and effectively support the expansion of operations in Connecticut, we have positioned ourselves as a leading linen services provider in the area, allowing us to retain 72 jobs and create 61 jobs in Connecticut.

This \$200 million tax credit initiative to foster economic development has provided our company access to critical growth capital. I understand that the \$200 million tax credit fund is now nearly exhausted. I strongly recommend this committee and the legislature authorize an additional \$200 million in these credits to continue this success story.

We compete with companies in neighboring states to increase revenues and create and retain jobs in Connecticut. This tax credit tool is essential in keeping our state ahead of the pack. It works and should be preserved. Thank you.

Sincerely,

Robert Winneg  
Chairman